

AMENDED IN ASSEMBLY APRIL 25, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 467

Introduced by Assembly Member Yee

February 16, 2005

An act to add Section 5775.5 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 467, as amended, Yee. Mental health: hospital contracts: reimbursement.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services, under which qualified low-income persons are provided with health care services, including mental health services.

Existing law requires the State Department of Mental Health to implement managed mental health care for Medi-Cal beneficiaries through fee-for-service or capitated rate contracts with mental health plans, including individual counties, counties acting jointly, any qualified individual or organization, or a nongovernmental entity. Existing law authorizes counties to contract with mental health providers to provide mental health services to Medi-Cal beneficiaries.

Existing regulations establish reimbursement procedures for the reimbursement of acute psychiatric inpatient hospital services for each fee-for-service Medi-Cal hospital with a contract with a mental health provider, and for the reimbursement of those services for each of these hospitals without one of these contracts.

~~This bill would state the intent of the Legislature to enact legislation addressing the reimbursement of hospitals for the provision of psychiatric inpatient services.~~

This bill would require the State Department of Mental Health, in consultation with the California Hospital Association and the California Mental Health Directors Association, to evaluate the current ratesetting methodology used for fee-for-service Medi-Cal noncontracting hospitals and recommend to the Legislature an alternative ratesetting structure. The bill would require the State Department of Health Services to provide to the State Department of Mental Health any data necessary for this purpose.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. It is the intent of the Legislature to enact~~
2 ~~legislation addressing the reimbursement of hospitals for the~~
3 ~~provision of psychiatric inpatient services.~~

4 SECTION 1. Section 5775.5 is added to the Welfare and
5 Institutions Code, to read:

6 5775.5. (a) The department, in consultation with the
7 California Hospital Association and the California Mental
8 Health Directors Association, shall evaluate the ratesetting
9 methodology used for fee-for-service Medi-Cal noncontracting
10 hospitals and recommend to the Legislature by September 1,
11 2006, an alternative ratesetting structure.

12 (b) On or before June 15, 2006, to the extent resources are
13 available, the State Department of Health Services shall provide
14 to the department any data necessary for that department to
15 conduct the evaluation required under subdivision (a).